

CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

50X1

JULY 1966 TOP SECRET

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1. South Vietnam

The US Embassy notes that there has been a great deal of behind-the-scenes activity within the hierarchy of the Buddhist Institute this week. The outcome of all this is not yet clear, but there are reports that Institute leaders are moving gradually toward an accommodation with the government, including an agreement to participate in the September elections.

Meanwhile, Ky has told newsmen that a reshuffled cabinet will be made public early next week.

The reason for the delay--an announcement on the reorganized cabinet had been unofficially promised for 1 July--is not entirely clear, but probably stems from advice from Ky's entourage to reconsider some of his intended changes. Earlier information indicates Ky apparently has been talked out of taking over the foreign affairs portfolio from able Foreign Minister Tran Van Do.

2. Yugoslavia

The central committee of the Yugoslav Communist party has strongly endorsed Tito's purge of his former heir apparent, Aleksandar Rankovic. Top party leaders in sometimes dissident Croatia apparently fully support the move, probably because they see it as an opportunity to gain political leverage in the succession sweepstakes which may already be under way.

The creation of a new commission to discuss the implications of the matter in public could, if Tito thinks it necessary, result in a show trial.

An extraordinary congress will be called to reorganize the party.

3. France

The countdown on 1 July for the first French nuclear test in the Pacific was halted literally at the last second.

No information on 50X1 the reasons for the delay is available, but an adverse wind shift may have been a factor as publicly announced.

4. Indonesia

Open criticism of Sukarno has picked up again in the Djakarta press. Only two of three papers, including one financed by Sukarno himself, are still giving him strong support. The anti-Sukarno papers now often refer to the president simply as "Sukarno," an impoliteness known to infuriate him.

The background on this is probably that the army has encouraged the press to take off the gloves in dealing with the president. Aside from continuing the erosion of Sukarno's public support, the object probably is to soften his opposition to major cabinet changes that General Suharto's supporters are planning to promote. This move may come within the next few days.

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